



IOWA MEDICAID ENTERPRISE

INITIATIVES SNAPSHOTS ■ JULY 1, 2013

The Iowa Medicaid Enterprise is entering one of the busiest six months in its history with projects ranging from normal business processes to complex system transformations. This document provides a snapshot of initiatives on July 1, 2013.

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State Innovation Model (SIM)

On September 24, 2012, Iowa applied for a State Innovation Models (SIM) Cooperative Agreement with the Centers for Medicare and Medicaid Services (CMS). On February 21, 2013 Iowa received notice that our application was selected for a Model Design Award to commence April 1, 2013. The goal of this CMS Innovation Center initiative is to test whether new payment and service delivery models will produce superior results when implemented in the context of a state-sponsored State Health Care Innovation Plan. These Plans must improve health, improve health care, and lower costs for citizens through a sustainable model of multi-payer payment and delivery reform, and must be dedicated to delivering the right care at the right time in the right setting. The Innovation Center has created the SIM initiative for states that are prepared for or committed to planning, designing, testing, and supporting evaluation of new payment and service delivery models in the context of larger health system transformation.

<http://www.ime.state.ia.us/state-innovation-models.html>

Iowa will conduct a robust stakeholder engagement process in developing the design for Iowa's SIM strategies. The stakeholder process will include a lead advisory committee and five workgroups. The design process will occur between April 1 and September 30, 2013. The process will include learning sessions and listening sessions. Iowa Medicaid held the first in a series of learning sessions about the SIM project on April 18, 2013. The second in the series is scheduled for June 17, 2013. The State must produce a "State Health Care Innovation Plan" and "Model Testing Proposal" that will be submitted for the next phase of grant funding.



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Balancing Incentives Payment Project (BIP)

On June 14th, the Centers for Medicare and Medicaid Services (CMS) approved Iowa's application for State Balancing Incentive Payment Program (BIPP) grant. BIPP is designed to "balance" states' spending on long term supports and services. The goal of BIPP is to provide persons with greater access to home and community based services and to reduce unnecessary reliance on institutional services. Iowa currently spends approximately 46.5% of its Medicaid long term supports and services funds on Home and Community Based Services. Under this successful grant Iowa will receive an enhanced match rate of 2% for non-institutional long term services and supports, for a total of \$61.8 million. The grant award period is July 1, 2012 through September 30, 2015. The department plans to work with key stakeholders to plan implementation steps.

<http://www.ime.state.ia.us/Providers/BIPP.html>

Iowa submitted a work plan on October 30, 2012 containing specific milestones and deliverables expected to be accomplished when making the following infrastructure developments and alterations:

- A No Wrong Door/Single Entry Point system for Home and Community Based Services and Long Term Services and Supports
- Conflict free case management. Case managers work with individuals and families to develop a service plan, arrange for services and supports, and direct and monitor service delivery to assure the individual's needs are met and desired outcomes are achieved.
- Core Standardized Assessments. Standardized assessment tools identify eligibility for non-institutional services and supports and are used as a guide to develop person-centered service plans to address unique needs.



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Health Homes

A Health Home is a patient-centered, whole person approach to coordinated care for all stages of life and transitions of care; a model of care where Medicaid members with multiple or chronic conditions can receive help that integrates all their needs into a single plan of care. A Health Home is a Medicaid program that enables providers to offer additional services for members with specific chronic conditions. Providers must meet standards outlined by the State and seek patient centered medical home (PCMH) recognition within 12 months of enrolling in the program. To facilitate a team-based, community focused approach, providers participating as a Health Home must connect to the Iowa Health Information Network (IHIN).

<http://www.ime.state.ia.us/Providers/HealthHome.html>

Who is eligible for Health Home services?

Any full benefit Medicaid member, adult or child with at least two chronic conditions from the list of categories below, or having one chronic condition and is at risk for developing a second from the list of categories below: Hypertension, Overweight, Heart Disease, Diabetes, Asthma, Substance Abuse, Mental Illness.

What additional services are provided by a Health Home?

Services include Comprehensive Care Management, Care Coordination, Health Promotion, Comprehensive Transitional Care, Individual and Family Support Services, and Referral to Community and Social Support Services.

Where are Health Homes currently operating in Iowa?

http://www.dhs.state.ia.us/uploads/Health%20Home_Map_Mar_2013_All%20Counties.pdf



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Integrated Health Homes

An Integrated Health Home (IHH) is a team of professionals working together to provide whole-person, patient-centered, coordinated care for adults with a serious mental illness (SMI) and children with a serious emotional disturbance (SED). The Integrated Health Home will be administered by the Medicaid Behavioral Health Care Managed Care Organization (Magellan Behavioral Care of Iowa) and provided by community-based Integrated Health Homes.

- [Integrated Health Home Informational Flyer](#) (Revised April 18, 2013)
- [Integrated Health Home FAQs](#) (Revised April 30, 2013)
- [Integrated Health Homes for Medicaid Members with a Serious & Persistent Mental Illness](#) (Marni Bussell April 9, 2013)

Who is eligible for Integrated Health Homes?

Individuals are eligible if they are enrolled in Medicaid and are an adult with a Serious Mental Illness (SMI) or a child or youth with a Serious Emotional Disturbance (SED).

Implementation Timeline

Integrated Health Homes will be phased in across the state throughout 2013 and 2014. Starting on July 1, 2013 adults with SMI and children with SED will be enrolled in five Iowa counties; Linn, Polk, Warren, Woodbury and Dubuque (for children; adults in Dubuque will begin January 1, 2014). The remaining Iowa counties will be phased in over the next 12 to 18 months. Projected enrollment at the end of Phase III is expected to be over 24,000 individuals.



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Health Information Technology

Iowa's Medicaid Electronics Health Records (EHR) Incentive Program is playing an important role in establishing critical health information technology designed to reduce costs, improve care, and advance coordination across the health care platform. This focused effort is leading to better coordination, quality of care, and fostering healthier lives in Iowa. Eligible professionals and hospitals can apply for the EHR via the Provider Incentive Payment Program (PIPP) system.

<http://www.ime.state.ia.us/Providers/EHRIncentives.html>

As of March 31, 2013, Iowa has approved payments to nearly 1,223 eligible professionals and hospitals with a total close to \$74 million dollars in incentive payments.

Iowa co-hosted the 9th Annual e-health summit on June 11 & 12, an event to share Iowa's goals, objectives, and strategies for health information technology.

<http://www.dhs.state.ia.us/uploads/9thAnnualIowaEHealthSummitHorizontal.pdf>



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ICD-10 Update

ICD-10-CM and PCS (International Classification of Diseases, 10th Edition, Clinical Modification and Procedure Coding System) is an update to the ICD-9 and provides an expanded set of diagnosis and procedure codes to keep pace with advances in medicine over the last three decades. Another primary reason driving the migration from ICD-9 to ICD-10 is that the ICD-9 code set is running out of codes and its limited structural design is preventing the addition of new codes.

<http://www.ime.state.ia.us/Providers/ICD10.html>

On January 16, 2009, the U.S. Department of Health and Human Services (HHS) released the final rule mandating that everyone covered by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) must implement ICD-10 code sets for medical coding on October 1, 2013. On August 24, 2012, HHS announced that it would delay the ICD-10 compliance date by one year to October 1, 2014. The change in the compliance date gives providers and other covered entities more time to prepare and fully test their systems to ensure a smooth and coordinated transition to these new code sets. The IME continues to prepare for the implementation of ICD-10 by reviewing policy and preparing for updates to medical coverage, rules, operational procedures, and technical systems and intends to conduct external end-to-end testing with providers between October 2013 and October 2014. The IME urges providers to continue forward with their ICD-10 projects and to ensure plenty of time for robust testing of ICD-10 claims alongside production ICD-9 claims beginning in the final quarter of 2013. Robust testing will help ensure a smooth transition to ICD-10.



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Iowa Health and Wellness Plan Waiver Application

On May 23, 2013, the Iowa Legislature enacted the “Iowa Health and Wellness Plan”. This plan is a compromise between the Governor’s Healthy Iowa Plan and Medicaid Expansion. Beginning January 1, 2014, the Iowa Health and Wellness Plan will cover all Iowans age 19-64 with incomes under 138% of the Federal Poverty Level. The plan will provide a comprehensive benefit package and provider network, along with important program innovations that will improve health outcomes and lower costs.

<http://www.ime.state.ia.us/healthy-iowa-plan-summary.html>

The Governor proposed the “Healthy Iowa Plan” earlier this spring. His intent was to provide access to affordable health insurance, ensure quality care, establish an outcomes-based reimbursement method, and require personal responsibility measures and stability for Iowans with sustainable funding. The new program was to replace Iowa’s current program to cover low income adults, IowaCare, which is set to expire on December 31, 2013. The Iowa Department of Human Services (DHS) had started the process of applying for a Section 1115 Waiver to implement the Governor’s Healthy Iowa Plan in order to comply with federally required due dates for such a waiver. On May 23, 2013, the Legislature enacted the Iowa Health and Wellness Plan. This plan is a compromise between the Governor’s Healthy Iowa Plan and Medicaid Expansion. The process that DHS will take to implement this plan will be to AMEND the 1115 Waiver Application previously drafted for the “Healthy Iowa Plan”. A series of four public hearings took place across the state on June 3 & 4 with approximately 100+ Iowans attending and/or submitting comments.



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Medicaid Management Information System (MMIS)

MMIS is a large, complex information technology system that supports all aspects of Medicaid administration. MMIS supports data processing and analysis and is a vital tool for the implementation of state Medicaid policy for policymakers.

- MMIS processes over 33 million providers claims per year from over 38,000 providers.
- MMIS provides data for complex federal reporting requirements on a member/claim level of details.
- MMIS addresses multiple benefit plans; dozens of reimbursement methods and tens of thousands of health care claims.

MMIS is the means by which 38,000 private health care providers receive timely and accurate payments from Iowa Medicaid. Iowa Medicaid pays claims in less than 7 days, on average. The current MMIS system is a 1970s era mainframe that must be updated and federal funds are available to accomplish the update.

Reprocurement Update

Iowa Medicaid issued an RFP for MMIS system development on June 6, 2011. By September 2011, bids had been received from several companies. In December 2011, IME issued a notice of intent to award the bid to a company named Accenture. One of the losing companies, named Noridian, appealed the award. Iowa District Court issued a decision on December 7, 2012 to invalidate the award. DHS requested clarification from the Court then issued a 90 day termination notice to Accenture. On February 21, 2013 DHS issued a notice of intent to release a new RFP in order to move forward with a new reprocurement process.



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DHS Health Care Information Technology Projects

ELIAS (Eligibility Project)

Iowa Medicaid is involved in the DHS effort to create a new system to determine eligibility for Medicaid and CHIP, in addition to public assistance programs such as food stamps, Family Investment Program (FIP) and child care. This system is called the Eligibility Integrated Application Solution, "ELIAS" and is set to launch on October 1, 2013.

Health Benefit Marketplace

On February 15, 2013, Iowa Insurance Commission Nick Gerhart submitted documents to Health and Human Services Secretary Kathleen Sebelius as required to implement a state & federal "Partnership Exchange" in Iowa. The creation of a health benefit exchange was required in the Affordable Care Act. The exchange is set to launch on January 1, 2014.

Normal Business Operations

In addition to the complex projects previously noted in this snapshot, Iowa Medicaid has a full plate of regular, business operations and responsibilities. They include:

- Cost Containment Strategies Implemented
- Legislative Mandated Reports & Interim Studies
- Budget Development SFY15



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